

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2007-1454-PWS-E **TCEQ ID:** RN105197180 **CASE NO.:** 34590
RESPONDENT NAME: Texas H2O, Inc.

Page 1 of 3

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input checked="" type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Granbury Industrial Park, at the northwest corner of Industrial Avenue and Acton Circle, approximately six miles north of Granbury, Hood County</p> <p>TYPE OF OPERATION: Public water supply</p> <p>SMALL BUSINESS: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There were several complaints received on August 13, 2007, alleging water outages and low pressure. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: Complaints were received but the complainants have not expressed the desire to protest this action or speak at Agenda.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on March 17, 2008. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Ms. Andrea Linson-Mgbeoduru, Enforcement Division, Enforcement Section 2, MC 169, (512) 239-1482; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Mr. Jess Lewellyn, CEO, Texas H2O, Inc., 208 E. Broad Street, Suite 109, Mansfield, Texas 76063 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input checked="" type="checkbox"/> Complaint <input type="checkbox"/> Routine <input checked="" type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date of Complaints Relating to this Case: August 13, 2007</p> <p>Date of Investigation Relating to this Case: August 13 and 14, 2007</p> <p>Date of NOE Relating to this Case: August 28, 2007 (NOE)</p> <p>Background Facts: This was a complaint investigation and a follow-up investigation.</p> <p>WATER</p> <p>1) Failure to receive written approval of plans and specifications prior to any construction of the public water system and make it available at the time of the investigation [30 TEX. ADMIN. CODE § 290.39(h)].</p> <p>2) Failure to extend the well casing a minimum of 18 inches above the elevation of the finished floor of the pump room or natural ground surface [30 TEX. ADMIN. CODE § 290.41(c)(3)(B)].</p> <p>3) Failure to provide the well with a concrete sealing block extending a minimum of three feet from the exterior well casing in all directions [30 TEX. ADMIN. CODE § 290.41(c)(3)(J)].</p> <p>4) Failure to issue a boil water notification to customers of the water system within 24 hours after a loss of distribution system pressure and water outage occurred [30 TEX. ADMIN. CODE § 290.46(q)(1)].</p> <p>5) Failure to provide an elevated storage capacity of 100 gallons per connection or a pressure tank capacity of 20 gallons per connection for its community water system connections and a minimum pressure tank capacity of 220 gallons for its non-community connections [30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(iv) and</p>	<p>Total Assessed: \$2,730</p> <p>Total Deferred: \$546 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$2,184</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>1. The Executive Director recognizes that Texas H2O issued a boil water notice to its customers on August 16, 2007.</p> <p>Ordering Provisions:</p> <p>2) The Order will require the Respondent to:</p> <p>a) Within 30 days after the effective date of this Agreed Order:</p> <p>i. Begin operating the water system to provide a minimum pressure of 35 psi throughout the distribution system at all times; and</p> <p>ii. Provide a concrete sealing block for the well that extends at least three feet in all directions from the well casing.</p> <p>b) Within 45 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision 2.d., and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision 2.a.;</p> <p>c) Within 90 days after the effective date of this Agreed Order:</p> <p>i. Obtain Commission approval of the as-built plans and specification for the Facility;</p> <p>ii. Provide a well casing that extends at least 18 inches above the elevation of the finished floor or natural ground surface;</p> <p>iii. Provide a minimum pressure storage capacity of 620 gallons; and</p> <p>iv. Install backflow prevention assemblies or an air gap at St. Clair Dental, located at 100 Gateway Hills,</p>

<p>(d)(2)(A)(ii) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].</p> <p>6) Failure to install backflow prevention assemblies or an air gap at all connection points where an actual or potential contamination hazard exists [30 TEX. ADMIN. CODE § 290.44(h)(1)(A)].</p> <p>7) Failure to provide a minimum pressure of 35 pounds per square inch (psi) throughout the distribution system under normal operating conditions [30 TEX. ADMIN. CODE § 290.46(r)].</p>		<p>Lane, Suite D, Granbury, TX, where an actual or potential contamination hazard exists.</p> <p>d) Within 105 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision 2.c. The certification shall be notarized by a State of Texas Notary Public.</p>
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Additional ID No(s): PWS ID No. 1110127



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision June 26, 2007

DATES	Assigned	4-Sep-2007	Screening	10-Sep-2007	EPA Due	
	PCW	10-Sep-2007				

RESPONDENT/FACILITY INFORMATION

Respondent	Texas H2O, Inc.		
Reg. Ent. Ref. No.	RN105197180		
Facility/Site Region	4-Dallas/Fort Worth	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	34590	No. of Violations	7
Docket No.	2007-1454-PWS-E	Order Type	1660
Media Program(s)	Public Water Supply	Enf. Coordinator	Andrea Linson-Mgbeoduru
Multi-Media		EC's Team	EnforcementTeam 2
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$1,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** **\$2,600**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History **5% Enhancement** **Subtotals 2, 3, & 7** **\$130**

Notes The enhancement is due to one previous Notice of Violation with violations that are the same or similar to the current enforcement action.

Culpability **No** **0% Enhancement** **Subtotal 4** **\$0**

Notes The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply **0% Reduction** **Subtotal 5** **\$0**

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes The Respondent does not meet the good faith criteria.

0% Enhancement*

Subtotal 6 **\$0**

Total EB Amounts	\$391
Approx. Cost of Compliance	\$7,550

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$2,730**

OTHER FACTORS AS JUSTICE MAY REQUIRE

Adjustment **\$0**

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes

Final Penalty Amount **\$2,730**

STATUTORY LIMIT ADJUSTMENT

Final Assessed Penalty **\$2,730**

DEFERRAL

20%

Reduction

Adjustment **-\$546**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY

\$2,184

Screening Date 10-Sep-2007

Docket No. 2007-1454-PWS-E

PCW

Respondent Texas H2O, Inc.

Policy Revision 2 (September 2002)

Case ID No. 34590

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN105197180

Media [Statute] Public Water Supply

Enf. Coordinator Andrea Linson-Mgbeoduru

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgements or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 5%

>> Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

The enhancement is due to one previous Notice of Violation with violations that are the same or similar to the current enforcement action.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 5%

Screening Date 10-Sep-2007 Respondent Texas H2O, Inc. Case ID No. 34590 Reg. Ent. Reference No. RN105197180 Media [Statute] Public Water Supply Enf. Coordinator Andrea Linson-Mgbeoduru	Docket No. 2007-1454-PWS-E PCW <i>Policy Revision 2 (September 2002)</i> <i>PCW Revision June 26, 2007</i>
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Violation Number	1	
Rule Cite(s)	30 Tex. Admin. Code § 290.39(h)	
Violation Description	Failed to receive written approval of plans and specifications prior to any construction of the public water system and make it available at the time of the investigation. Specifically, on the date of the investigation, system officials were not able to produce TCEQ plan approval for the Granbury Industrial Park water system, including, but not limited to the approvals for the system well (G1110127A) and all pressure storage, ground storage, and disinfection facilities.	

Base Penalty	\$1,000
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>> Environmental, Property and Human Health Matrix

OR		Harm				
	Release	Major	Moderate	Minor		
	Actual					
	Potential				Percent	0%

>> Programmatic Matrix

		Falsification			
	Major	Moderate	Minor		
	x				
	Percent				25%

Matrix Notes	100% of the rule requirement was not met.
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Adjustment	\$750
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	\$250
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Violation Events

Number of Violation Events	1	28	Number of violation days
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<i>mark only one with an x</i>	daily			
	monthly			
	quarterly			
	semiannual			
	annual			
	single event	x		

Violation Base Penalty	\$250
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One single event is recommended.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount	\$112
	Violation Final Penalty Total
	\$263
This violation Final Assessed Penalty (adjusted for limits)	
\$263	

Economic Benefit Worksheet

Respondent Texas H2O, Inc.

Case ID No. 34590

Reg. Ent. Reference No. RN105197180

Media Public Water Supply

Violation No. 1

Percent Interest Years of
Depreciation

5.0 15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$2,000	13-Aug-2007	31-May-2008	0.8	\$5	\$107	\$112
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

The delayed costs include the amount to prepare, submit, and obtain approval of water system plans and specifications that have been prepared by a licensed, professional engineer, calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$2,000

TOTAL \$112

Screening Date	10-Sep-2007	Docket No.	2007-1454-PWS-E	PCW																			
Respondent	Texas H2O, Inc.	Policy Revision 2 (September 2002)																					
Case ID No.	34590	PCW Revision June 26, 2007																					
Reg. Ent. Reference No.	RN105197180																						
Media [Statute]	Public Water Supply																						
Enf. Coordinator	Andrea Linson-Mgbeoduru																						
Violation Number	2																						
Rule Cite(s)	30 Tex. Admin. Code § 290.41(c)(3)(B)																						
Violation Description	Failed to extend the well casing a minimum of 18 inches above the elevation of the finished floor of the pump room or natural ground surface. Specifically, on the date of the investigation, observation of the well casing on the system well (G1110127A) indicated that it was not at least 18 inches above the natural ground surface.																						
Base Penalty				\$1,000																			
>> Environmental, Property and Human Health Matrix																							
OR	<table border="1" style="margin: auto;"> <tr> <td></td> <th colspan="3">Harm</th> <td></td> </tr> <tr> <td>Release</td> <th>Major</th> <th>Moderate</th> <th>Minor</th> <td></td> </tr> <tr> <td>Actual</td> <td></td> <td></td> <td></td> <td rowspan="2" style="vertical-align: middle;">Percent 25%</td> </tr> <tr> <td>Potential</td> <td></td> <td style="text-align: center;">x</td> <td></td> </tr> </table>					Harm				Release	Major	Moderate	Minor		Actual				Percent 25%	Potential		x	
		Harm																					
	Release	Major	Moderate	Minor																			
Actual				Percent 25%																			
Potential		x																					
>> Programmatic Matrix																							
Matrix Notes	<table border="1" style="margin: auto;"> <tr> <td></td> <th>Falsification</th> <th>Major</th> <th>Moderate</th> <th>Minor</th> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td rowspan="2" style="vertical-align: middle;">Percent 0%</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>					Falsification	Major	Moderate	Minor							Percent 0%							
		Falsification	Major	Moderate	Minor																		
						Percent 0%																	
Human health or the environment could be exposed to a significant amount of contaminants that would not exceed levels protective of human health as a result of the failure to properly protect the water source.																							
Adjustment				\$750																			
				\$250																			
Violation Events																							
Number of Violation Events		1	Number of violation days																				
		28																					
mark only one with an x	daily		Violation Base Penalty \$250																				
	monthly																						
	quarterly	x																					
	semiannual																						
	annual																						
	single event																						
One quarterly event is recommended, calculated from the investigation date, August 13, 2007, to the screening date, September 10, 2007.																							
Economic Benefit (EB) for this violation																							
Estimated EB Amount		\$34	Statutory Limit Test																				
			Violation Final Penalty Total \$263																				
This violation Final Assessed Penalty (adjusted for limits)				\$263																			

Economic Benefit Worksheet

Respondent Texas H2O, Inc.

Case ID No. 34590

Reg. Ent. Reference No. RN105197180

Media Public Water Supply

Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction	\$500	13-Aug-2007	31-Jul-2008	1.0	\$2	\$32	\$34
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to complete necessary well site construction to extend the well casing. Date required is the investigation date. Final date is the expected date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$34

Screening Date	10-Sep-2007	Docket No.	2007-1454-PWS-E	PCW
Respondent	Texas H2O, Inc.	Policy Revision 2 (September 2002)		
Case ID No.	34590	PCW Revision June 26, 2007		
Reg. Ent. Reference No.	RN105197180			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Andrea Linson-Mgbeoduru			
Violation Number	3			
Rule Cite(s)	30 Tex. Admin. Code § 290.41(c)(3)(J)			
Violation Description	Failed to provide the well with a concrete sealing block extending a minimum of three feet from the exterior well casing in all directions. Specifically, on the date of the investigation, observation of the well casing revealed that the current sealing block did not extend three feet in all directions from the casing.			
Base Penalty				\$1,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				
	Potential		x		25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes
 Failure to have sealing blocks that extend a minimum of three feet from the wells could expose customers of the water supply to significant amounts of contaminants which would not exceed levels that are protective of human health.

Adjustment \$750

Adjustment \$250

Violation Events

Number of Violation Events	1	28	Number of violation days
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mark only one with an x	daily		monthly		quarterly	x	semiannual		annual		single event	
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Violation Base Penalty \$250

One quarterly event is recommended, calculated from the investigation date, August 13, 2007, to the screening date, September 10, 2007.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount	Violation Final Penalty Total
\$25	\$263
This violation Final Assessed Penalty (adjusted for limits)	
\$263	

Economic Benefit Worksheet

Respondent Texas H2O, Inc.

Case ID No. 34590

Reg. Ent. Reference No. RN105197180

Media Public Water Supply

Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction	\$500	13-Aug-2007	30-Apr-2008	0.7	\$1	\$24	\$25
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

The delayed costs includes the amount to increase the size of the sealing block, calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$25

Screening Date	10-Sep-2007	Docket No.	2007-1454-PWS-E	PCW
Respondent	Texas H2O, Inc.	Policy Revision 2 (September 2002)		
Case ID No.	34590	PCW Revision June 26, 2007		
Reg. Ent. Reference No.	RN105197180			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Andrea Linson-Mgbeoduru			
Violation Number	4			
Rule Cite(s)	30 Tex. Admin. Code § 290.46(q)(1)			
Violation Description	Failed to issue a boil water notification to customers of the water system within 24 hours after a loss of distribution system pressure and water outage occurred. Specifically, a boil water notice was not issued within 24 hours of a loss of pressure and water outage that occurred on August 13, 2007.			
Base Penalty				\$1,000

>> Environmental, Property and Human Health Matrix

OR		Harm				
	Release	Major	Moderate	Minor		
	Actual					
	Potential				Percent	0%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor		
		x				
					Percent	25%

Matrix Notes	100% of the rule requirement was not met.
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Adjustment	\$750
\$250	

Violation Events

Number of Violation Events	1	Number of violation days	1
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mark only one with an x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty	\$250
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One single event is recommended.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount	Violation Final Penalty Total
\$0	\$263
This violation Final Assessed Penalty (adjusted for limits)	
\$263	

Economic Benefit Worksheet

Respondent: Texas H2O, Inc.

Case ID No. 34590

Reg. Ent. Reference No. RN105197180

Media: Public Water Supply

Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$100	14-Aug-2007	16-Aug-2007	0.0	\$0	n/a	\$0

Notes for DELAYED costs

The delayed costs include the amount necessary to provide all customers of the water supply with a proper boil water notification, calculated from the date when the boil water notice should have been issued to the date the boil water notice was issued.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$100

TOTAL

\$0

Screening Date	10-Sep-2007	Docket No. 2007-1454-PWS-E	PCW
Respondent	Texas H2O, Inc.	Policy Revision 2 (September 2002)	
Case ID No.	34590	PCW Revision June 26, 2007	
Reg. Ent. Reference No.	RN105197180		
Media [Statute]	Public Water Supply		
Enf. Coordinator	Andrea Linson-Mgbeoduru		
Violation Number	5		
Rule Cite(s)	30 Tex. Admin. Code § 290.45(b)(1)(C)(iv) and (d)(2)(A)(ii) and Tex. Health & Safety Code § 341.0315(c)		
Violation Description	<p>Failed to provide an elevated storage capacity of 100 gallons per connection or a pressure tank capacity of 20 gallons per connection for its community water system connections and a minimum pressure tank capacity of 220 gallons for its non-community connections. According to system personnel, the water system currently has a total of 50 connections, 20 community connection and 30 non-community connections. The total minimum pressure capacity requirement is 620 gallons, the system currently provides 600 gallons.</p>		
Base Penalty			\$1,000

>> Environmental, Property and Human Health Matrix

OR		Harm				
	Release	Major	Moderate	Minor		
	Actual					
	Potential			x	Percent	10%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor		
					Percent	0%

Matrix Notes
 Without adequate pressure tank capacity (3% deficient), customers of the water supply could experience water outages and the system's ability to provide a safe and reliable water supply would be impaired.

Adjustment \$900

\$100

Violation Events

Number of Violation Events	1	28	Number of violation days
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mark only one with an x	<div style="border: 1px solid black; padding: 2px;">daily</div> <div style="border: 1px solid black; padding: 2px;">monthly</div> <div style="border: 1px solid black; padding: 2px;">quarterly</div> <div style="border: 1px solid black; padding: 2px;">semiannual</div> <div style="border: 1px solid black; padding: 2px;">annual</div> <div style="border: 1px solid black; padding: 2px;">single event</div>	
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Violation Base Penalty \$100

One single event is recommended.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount	Violation Final Penalty Total
\$112	\$105
This violation Final Assessed Penalty (adjusted for limits)	
\$105	

Economic Benefit Worksheet

Respondent Texas H2O, Inc.
Case ID No. 34590
Reg. Ent. Reference No. RN105197180
Media Public Water Supply
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment	\$2,000	13-Aug-2007	31-May-2008	0.8	\$5	\$107	\$112
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

The delayed costs include the amount to provide a minimum pressure tank capacity of 620 gallons, calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$112

Screening Date	10-Sep-2007	Docket No.	2007-1454-PWS-E	PCW
Respondent	Texas H2O, Inc.	Policy Revision 2 (September 2002)		
Case ID No.	34590	PCW Revision June 26, 2007		
Reg. Ent. Reference No.	RN105197180			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Andrea Linson-Mgbeoduru			
Violation Number	6			
Rule Cite(s)	30 Tex. Admin. Code § 290.44(h)(1)(A)			
Violation Description	Failed to install backflow prevention assemblies or an air gap at all connection points where an actual or potential contamination hazard exists. Specifically, at the time of the investigation, there was not a backflow prevention assembly at St. Clair Dental offices located at 100 Gateway Hills Ln., Ste. D, Granbury, Texas.			
Base Penalty				\$1,000

>> Environmental, Property and Human Health Matrix

OR		Harm			
	Release	Major	Moderate	Minor	
	Actual				
	Potential	x			Percent 50%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
					Percent 0%

Matrix Notes	Failure to have backflow prevention assemblies installed could cause exposure to pollutants which would exceed levels that are protective of human health.
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Adjustment	\$500
	\$500

Violation Events

Number of Violation Events	1	Number of violation days	28
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mark only one with an x	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">daily</td><td></td></tr> <tr><td style="text-align: center;">monthly</td><td style="text-align: center;">x</td></tr> <tr><td style="text-align: center;">quarterly</td><td></td></tr> <tr><td style="text-align: center;">semiannual</td><td></td></tr> <tr><td style="text-align: center;">annual</td><td></td></tr> <tr><td style="text-align: center;">single event</td><td></td></tr> </table>	daily		monthly	x	quarterly		semiannual		annual		single event		Violation Base Penalty	\$500
daily															
monthly	x														
quarterly															
semiannual															
annual															
single event															

One monthly event is recommended, calculated from the investigation date, August 13, 2007, to the screening date, September 10, 2007.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount	\$28
	Violation Final Penalty Total
	\$525
This violation Final Assessed Penalty (adjusted for limits)	
\$525	

Economic Benefit Worksheet

Respondent Texas H2O, Inc.

Case ID No. 34590

Reg. Ent. Reference No. RN105197180

Media Public Water Supply

Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost No commas or \$	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment	\$450	13-Aug-2007	30-Jun-2008	0.9	\$1	\$26	\$28
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

The delayed costs include the amount to have a backflow prevention assembly installed, calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$450

TOTAL

\$28

Screening Date 10-Sep-2007	Docket No. 2007-1454-PWS-E	PCW
Respondent Texas H2O, Inc.	<small>Policy Revision 2 (September 2002)</small>	
Case ID No. 34590	<small>PCW Revision June 26, 2007</small>	
Reg. Ent. Reference No. RN105197180		
Media [Statute] Public Water Supply		
Enf. Coordinator Andrea Linson-Mgbeoduru		
Violation Number	7	
Rule Cite(s)	30 Tex. Admin. Code § 290.46(r)	
Violation Description	<p>Failed to provide a minimum pressure of 35 psi throughout the distribution system under normal operating conditions. Specifically, during the investigation, pressure recordings showed the system to be at 0.0 pound per square inch ("psi") for approximately eleven hours on August 13, 2007, and 10 psi on August 14, 2007.</p>	
Base Penalty		\$1,000

>> Environmental, Property and Human Health Matrix

OR		Harm				
	Release	Major	Moderate	Minor		
	Actual					
	Potential	x			Percent	50%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor		
					Percent	0%

Matrix Notes	Without adequate pressure, backflow and water outages could occur and customers of the water supply could be exposed to contaminants that exceed levels that are protective of human health.
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Adjustment	\$500
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Violation Events	2	2	Number of violation days
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<small>mark only one with an x</small>	daily		
	monthly		
	quarterly		
	semiannual		
	annual		
	single event	x	

Violation Base Penalty	\$1,000
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Two single events are recommended, one event for each incident.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount	Violation Final Penalty Total
\$80	\$1,050
This violation Final Assessed Penalty (adjusted for limits)	
\$1,050	

Economic Benefit Worksheet

Respondent Texas H2O, Inc.

Case ID No. 34590

Reg. Ent. Reference No. RN105197180

Media Public Water Supply

Violation No. 7

Percent Interest Years of
Depreciation

5.0

15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$2,000	13-Aug-2007	31-May-2008	0.8	\$80	n/a	\$80

Notes for DELAYED costs

The delayed cost include the amount for additional oversight of the water system to increase the pressure within the system to a constant 35 psi or greater. The date required is the first investigation date. The final date is the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$80

Compliance History

Customer/Respondent/Owner-Operator:	CN600656201	Texas H2O, Inc.	Classification: AVERAGE	Rating: 0.69
Regulated Entity:	RN105197180	GRANBURY INDUSTRIAL PARK	Classification:	Site Rating:
ID Number(s):	PUBLIC WATER SYSTEM/SUPPLY REGISTRATION		1110127	
Location:	APPROX 6 MI NORTH OF GRANBURY TX ON US 377, AT THE NW CORNER OF INDUSTRIAL AVE AND ACTON CIR, HOOD COUNTY, TX			
TCEQ Region:	REGION 04 - DFW METROPLEX			
Date Compliance History Prepared:	September 05, 2007			
Agency Decision Requiring Compliance History:	Enforcement			
Compliance Period:	September 04, 2002 to September 04, 2007			
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History				
Name:	Andrea Linson-Mgbeoduru	Phone:	512-239-1482	

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? No
2. Has there been a (known) change in ownership of the site during the compliance period? No
3. If Yes, who is the current owner? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.
N/A
- B. Any criminal convictions of the state of Texas and the federal government.
N/A
- C. Chronic excessive emissions events.
- D. The approval dates of investigations. (CCEDS Inv. Track. No.)
1 05/07/2007 (557131)
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date:	04/30/2007	(557131)
Self Report?	NO	Classification: Minor
Citation:	30 TAC Chapter 290, SubChapter F 290.121[G]	
Description:	Violation of: §290.121(G) Failure to provide a system monitoring plan.	
Self Report?	NO	Classification: Minor
Citation:	30 TAC Chapter 290, SubChapter D 290.39(h)[G]	
Description:	Violation of: §290.39(h)(G) Failure to provide TCEQ water system plan review approval for the Granbury Industrial Park water system.	
Self Report?	NO	Classification: Minor
Citation:	30 TAC Chapter 290, SubChapter D 290.41(c)(3)(B)	
Description:	Violation of: §290.41(c)(3)(B) Failure to construct the well casing at least 18" above the natural ground surface.	
Self Report?	NO	Classification: Minor
Citation:	30 TAC Chapter 290, SubChapter D 290.41(c)(3)(J)	
Description:	Violation of §290.41(c)(3)(J) Failure to provide a concrete sealing block around the system well (G1110127A), extending 3 feet in all directions.	
- F. Environmental audits.
N/A
- G. Type of environmental management systems (EMSs).
N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
TEXAS H2O, INC.
RN105197180**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2007-1454-PWS-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Texas H2O, Inc. ("Texas H2O") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and Texas H2O appear before the Commission and together stipulate that:

1. Texas H2O owns and operates a public water supply on US Highway 377, at the northwest corner of Industrial Avenue and Acton Circle, approximately six miles north of Granbury, Hood County, Texas (the "Facility") that has approximately 50 service connections and serves at least 25 people per day for at least 60 days per year.
2. The Commission and Texas H2O agree that the Commission has jurisdiction to enter this Agreed Order, and that Texas H2O is subject to the Commission's jurisdiction.
3. Texas H2O received notice of the violations alleged in Section II ("Allegations") on or about September 2, 2007.
4. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Texas H2O of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
5. An administrative penalty in the amount of Two Thousand Seven Hundred Thirty Dollars (\$2,730) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Texas H2O has paid Two Thousand One Hundred Eighty-Four Dollars (\$2,184) of the administrative penalty and Five Hundred Forty-Six Dollars (\$546) is deferred contingent upon Texas H2O's timely and satisfactory compliance with all the terms of this Agreed Order.

The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Texas H2O fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Texas H2O to pay all or part of the deferred penalty.

6. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
7. The Executive Director of the TCEQ and Texas H2O have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
8. The Executive Director recognizes that Texas H2O issued a boil water notice to its customers on August 16, 2007.
9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Texas H2O has not complied with one or more of the terms or conditions in this Agreed Order.
10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, Texas H2O is alleged to have:

1. Failed to receive written approval of plans and specifications prior to any construction of the public water system and make it available at the time of the investigation, in violation of 30 TEX. ADMIN. CODE § 290.39(h), as documented during an investigation conducted on August 13, 2007.
2. Failed to extend the well casing a minimum of 18 inches above the elevation of the finished floor of the pump room or natural ground surface, in violation of 30 TEX. ADMIN. CODE § 290.41(c)(3)(B), as documented during an investigation conducted on August 13, 2007.
3. Failed to provide the well with a concrete sealing block extending a minimum of three feet from the exterior well casing in all directions, in violation of 30 TEX. ADMIN. CODE § 290.41(c)(3)(J), as documented during an investigation conducted on August 13, 2007.
4. Failed to issue a boil water notification to customers of the water system within 24 hours after a loss of distribution system pressure and water outage occurred, in violation of 30 TEX. ADMIN. CODE § 290.46(q)(1), as documented during an investigation conducted on August 13, 2007.
5. Failed to provide an elevated storage capacity of 100 gallons per connection or a pressure tank capacity of 20 gallons per connection for its community water system connections and a minimum pressure tank capacity of 220 gallons for its non-community connections, in violation

of 30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(iv) and (d)(2)(A)(ii) and TEX. HEALTH & SAFETY CODE § 341.0315(c), as documented during an investigation conducted on August 13, 2007.

6. Failed to install backflow prevention assemblies or an air gap at all connection points where an actual or potential contamination hazard exists, in violation of 30 TEX. ADMIN. CODE § 290.44(h)(1)(A), as documented during an investigation conducted on August 13, 2007.
7. Failed to provide a minimum pressure of 35 pounds per square inch throughout the distribution system under normal operating conditions, in violation of 30 TEX. ADMIN. CODE § 290.46(r), as documented during an investigation conducted on August 13, 2007 and the follow-up investigation conducted on August 14, 2007.

III. DENIALS

Texas H2O generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Texas H2O pay an administrative penalty as set forth in Section I, Paragraph 5 above. The payment of this administrative penalty and Texas H2O's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Texas H2O, Inc., Docket No. 2007-1454-PWS-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. It is further ordered that Texas H2O shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order:
 - i. Begin operating the water system to provide a minimum pressure of 35 pounds per square inch throughout the distribution system at all times, in accordance with 30 TEX. ADMIN. CODE § 290.46.
 - ii. Provide a concrete sealing block for the well that extends at least three feet in all directions from the well casing, in accordance with 30 TEX. ADMIN. CODE § 290.41.
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision 2.d. below, and include detailed supporting

documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a.; and

- c. Within 90 days after the effective date of this Agreed Order:
 - i. Obtain Commission approval of the as-built plans and specifications for the Facility, in accordance with 30 TEX. ADMIN. CODE §§ 290.39;
 - ii. Provide a well casing that extends at least 18 inches above the elevation of the finished floor or natural ground surface, in accordance with 30 TEX. ADMIN. CODE § 290.41;
 - iii. Provide a minimum pressure storage capacity of 620 gallons, in accordance with 30 TEX. ADMIN. CODE § 290.45; and
 - iv. Install backflow prevention assemblies or an air gap at St. Clair Dental, located at 100 Gateway Hills Lane, Suite D, Granbury, TX, where an actual or potential contamination hazard exists, as required by 30 TEX. ADMIN. CODE § 290.44
- d. Within 105 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.c. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Water Section, Manager
Dallas/Fort Worth Regional Office
Texas Commission on Environmental Quality
2301 Gravel Drive
Fort Worth, Texas 76118-6951

3. The provisions of this Agreed Order shall apply to and be binding upon Texas H2O. Texas H2O is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Texas H2O shall be made in writing to the Executive Director. Extensions are not effective until Texas H2O receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
5. This Agreed Order, issued by the Commission, shall not be admissible against Texas H2O in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
6. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
7. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Texas H2O, or three days after the date on which the Commission mails notice of the Order to Texas H2O, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

3/5/2008
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.



Signature

12/29/2007
Date

Jess Lewellyn

Name (Printed or typed)
Authorized Representative of
Texas H2O, Inc.

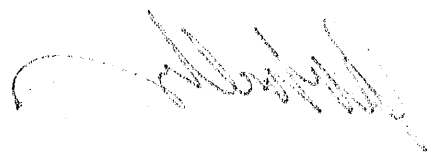
CEO

Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

15-58 / PS / 51

CC



7022. Lowell